

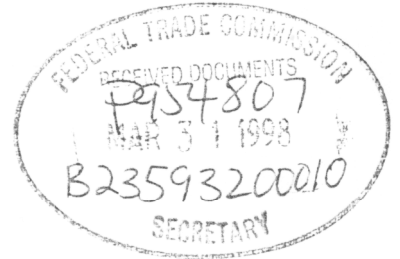


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NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS
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ORIGINAL

March 31, 1998



Secretary
Federal Trade Commission
Room H-159
Sixth Street and Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Re: Privacy Guidelines 1998- P954807

Dear Secretary:

On behalf of the National Association of Federal Credit Unions (NAFCU), the only trade association that exclusively represents the nation's federally chartered credit unions, I appreciate this opportunity to share the Internet privacy guidelines we recommend that our members adopt.

Credit unions recognize that financial institutions and other commercial organizations should post their consumer privacy policies on their web sites to assuage consumer concerns about misuse of information. Protecting members' privacy is an important principle for federal credit unions. In fact, the standard bylaws for federal credit unions require that the officers, directors, committee members and employees of the credit union hold the transactions between the credit union and its members, as well as information about members' personal affairs, in confidence. However, NAFCU does recommend that its members post privacy policies on their web sites.

Again, thank you for this opportunity to share our recommended Internet privacy policy. Please do not hesitate to contact me or Dea Whayland-Daly, NAFCU'S Associate Director of Agency Relations, if you have any questions or require additional information.

Sincerely,

Kenneth L. Robinson
President

Enclosures

KLR/DWD/nh



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Recommended Privacy Policy

Our credit union is committed to keeping information about members, their accounts, and their transactions confidential, as required by state and federal laws and Article XIX, § 2 of our bylaws. On occasion, we release information about our members if such release is necessary to serve our members. For example, we release information to consumer reporting agencies so that we can use consumer reports in evaluating loan applications. We do not collect or maintain information about our members that is not essential for prudent business purposes. Our web site includes security measures to prevent unauthorized access.